

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Rural Development Department – Financial Inclusion programme by using Smart Card Technology for payment of wages under NREGS – Guidelines for payment of wages under NREGS through Corporate Internet Banking (CINB) in Krishna District – Pilot Project – Orders – Issued.

PANCHAYAT RAJ AND RURAL DEVELOPMENT (RD-II) DEPARTMENT

G.O.Ms.No. 70

Dated:03.03.2009

Read the following:

- 1 G.O.Ms.No.556 of PR&RD (RD.II) Dept.,dt.16.12.2006.
- 2 G.O.Ms.No.451 of PR & RD (RD.II) Dept., dt. 04.10.2007.
- 3 Report of the Committee on Suggesting a frame work for EBT of April, 2008.
- 4 From the Commissioner, RD., A.P., Hyderabad Lr.No.7908/RD.SHG (SC) / 2008, dt.03.02.2009.

O R D E R:

Government in the reference 1st read above, have issued orders on Financial Inclusion programme for using the Smart Card Technology in NREGS-AP on pilot basis as a step towards Total Financial Inclusion. On successful completion of the pilot, Government have issued orders upscaling the project under "service area approach" model in the six districts viz; Warangal, Karimnagar, Medak, Mahabubnagar, Chittoor and East Godavari as Phase-I in the reference 2nd read above.

2. Reserve Bank of India has constituted a Committee on suggesting a frame work for Electronic Benefit Transfer (EBT). Based on the recommendations of the Committee, RBI approved 'One bank – One district model' for the remaining districts in the State. Based on the report of the committee the project was upscaled to remaining 16 districts under 'one bank - one district' model.

3. To streamline and avoid delays in payment of wages consultations were held with the bankers on the possibility of putting in place an efficient fund transfer mechanism. Such a mechanism is expected to make funds available in every village through banking channel with minimum possible delays of not more than 4 days. Bankers suggested that payment can be made online, from Mandal Parishad Development Officer to the Principal Banker in prescribed compatible transaction format through Corporate Internet Banking (CINB). The Commissioner, Rural Development has requested the Government for issuance of orders for making payment of wages under NREGS through Corporate Internet Banking (CINB) in Krishna District as a Pilot.

4. Government after careful consideration of the proposal submitted by Commissioner, Rural Development, AP., Hyderabad hereby issue the following guidelines for making payment of wages under NREGS through Corporate Internet Banking (CINB) in Krishna District as a Pilot.

5. **Regulator:** The Commissioner, Rural Development will be the policy maker. Decides who should be the administrator at the Head Office Level.

6. **Administrator at CRD office:** Decides as to who in Krishna district will be authorised to get the User ID. Allots the User privileges temporarily to In-charge authority in the absence / leave of the regular authority at the district level. Will have access to all transactions.

7. **District level:** The Project Director, DWMA, Krishna district will be given access to view the transactions. Administrator will give him a User ID. In case of leave/absence of the authorised person at mandal level, alternative persons will be substituted by Project Director, DWMA, Krishna district with approval of the administrator at CRD office.

8. **Authoriser:** The MPDO will be the authoriser and will be given CINB User ID. The MPDO will authorise all transactions at mandal level namely

(i) data to be given by the Mandal Computer operator to the banks.

(ii) data with account numbers and smart card IDs given by the banks.

(iii) e-payorder containing the wage seekers payments and the e-cheque to transfer amount from MPDO account held with the CINB bank to the credit of beneficiaries' accounts.

(iv) uploading of the data into the Web server.

9. **Uploader:** One of the Mandal Computer operators will be designated as uploader. He will be given access to the mandal data and is responsible for down loading and uploading the data and also generating wage lists, e-payorders and e-cheques which will be authorised by authoriser/MPDO.

10(1). **Work-Flow:** For the purpose of clarity, workflow is detailed below. The wage seekers data in the prescribed format shall be submitted to the bank by mandal computer operator duly authorised by MPDO. The Banker after enrolment will open accounts in the names of the beneficiaries and allot account number and Smart Card ID to each beneficiary for personalizing the Card.

10(2). The data of smart cards opened should be transferred by the concerned bank to MPDO for integrating with the mandal NREGS data base. MPDO will be provided a secured user ID by CINB to authorise transactions. (Upon authorisation by MPDO) Beneficiary account data can be downloaded by Computer Operator. These accounts are predefined with worker ID, unique account number and Smart Card ID, to ensure that payments are credited to the beneficiary's smart card account only and not to any other account.

10(3). When Muster Rolls are closed and passed for payment by MPDO, the mandal computer operator should enter the data into the mandal data base in the prescribed format with a reference number for each entry, generates an e-pay order and an e-cheque. The e-pay order and e cheque will be uploaded in to the CINB server after authorisation by the MPDO.

10(4). As soon as the e-pay order lands on the CINB server, the amount is debited to the MPDO account and credited to the beneficiaries' accounts after matching the pre defined account data available with the bank.

10(5). A day end return file will be sent to the MPDO by internet banking centre of the bank which contains bank reference number for each transaction which can be reconciled with the reference given by the MPDO. The data is synchronised and reconciled with MPDO data base immediately.

11(1) Payments to wage seekers whose account are not opened:

The payment relating to the wage seekers who are not enrolled will be remitted to the bank along with an acquittance containing the details of beneficiaries, by way of a cheque drawn on the bank. The Bank would keep the funds in the suspense account. The funds will be provided to the Business Correspondent for payment to the beneficiaries through their CSPs. The payment will be made by the CSPs only after enrolling the beneficiary.

11(2) The MPDO shall ensure to send the remittance of un-enrolled beneficiaries along with an acquittance and it shall be responsibility of MPDO and APO to monitor payments and return of acquittance of un-carded beneficiaries by

the bank. They should ensure that the un-enrolled beneficiaries are paid by the bank only after enrollement.

11(3) Unspent amount if any would be deposited by CSP to the credit of MPDO Accounts along with the list of beneficiaries not paid.

12. The persons authorised by the Commissioner, Rural Development will be provided access to the banks server to obtain information of transfer of funds, amounts credited to beneficiaries accounts, amount paid to beneficiaries, unpaid benefits etc for on line real time monitoring.

13. **Security of payments:** No unauthorised person can have access to the Mandal database and CINB server without proper authentication. Even if the password is tampered and unauthorised entries are made, the credits into the accounts are rejected by CINB unless the account no., smartcard ID and name of the beneficiary are tallied, and there by ensuring credit of the benefits only to pre defined account holders. The CINB will also report back, if any unauthorised entries are found.

14. Government is hereby accords permission to Commissioner, Rural Development to implement the programme in Krishna district as pilot and effect payments under NREGS.

15. This order shall come into effect immediately.

16. This order is available on the Internet and can be accessed at the address <http://www.rd.ap.gov.in> and <http://goir.ap.gov.in>

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

K.RAJU

PRINCIPAL SECRETARY TO GOVERNMENT

To

The Commissioner, Rural Development, A.P., Hyderabad.

The District Collector & District Programme Coordinator, NREGS-AP, Krishna District

The Project Director, DWMA, Krishna district.

All the MPDOs & POs of Krishna District through the Project Director, DWMA, Krishna district.

The Vice-President, Axis Bank, Hyderabad.

Copy to:

The Chief Executive Officer, SERP, A.P., Hyderabad.

The Regional Director, RBI, Saifabad, Hyderabad.

The General Manager, RPCD, RBI, Saifabad, Hyderabad.

The Convener, SLBC, Andhra Bank, Head Office, Saifabad, Hyd.

The Accountant General, A.P. Hyderabad.

The Director of Treasureis, A.P.Hyderabad.

The Commissioner, AMR-APARD, Rajendranagar, Hyderabad.

The Director (SHGs), O/o the Commissioner, RD, Hyderabad.

The Director, NREGS-AP, O/o the Commissioner, RD, Hyderabad.

All the Special Officer, NREGS-AP of Krishna district O/o the Commissioner(RD).

The PS to Minister for RD, NREGS-AP & SHGs, AP.,Hyderabad.

The PS to Principal Secretary to Government (RD) AP, Hyderabad

The Section Officers of RD-I, RD-II, RD-III and RD-IV Sections.

The General Section, PR & RD Department

//FORWARDED :: BY ORDER//

SECTION OFFICER

ANNEXURE
(G.O.Ms.No. 70 PR & RD (RD-II) Department, dated:03.03.2009
FLOW CHART OF SECURED ONLINE DATA TRANSFER

